BUDGET
1982-83

Speech of

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Minister for Finance

Masi 14, Thunmathi, Thiruvalluvar Aandu-2013

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Speech of Thiru V. R. Nedunchezhiyan, Minister for Finance, Government of Tamil Nadu presenting the Budget for 1982–83 *to the Legislative Assembly on 26th February,* 1982, *Masi* 14, *Thunmathi, Thiruvalluvar Aandu*-2013.

Hon'ble Speaker Sir,

I rise to place before the House the Revised Estimate for 1981–82 and the Budget Estimate for 1982–83, for the approval of the House.

"Who swells the revenues, spreads plenty over land,
Seeks out what hinders progress, his the ruling hand"

This is the advice which the universally honoured poet Thiruvalluvar offers to the Ruler. According to the Poet-Savant, only that person who can enlarge the sources of revenue and thereby build up wealth and who is capable of identifying the obstacles and overcoming them is fit to be a Ruler. Adhering to the cardinal, ethical principles laid down by Thiruvalluvar, the present Government is doing its utmost to mobilise and maximise resources for Tamil Nadu and with their help, build up wealth of Tamil Nadu in various ways, identify the obstacles in the path of progress and help to overcome them and ensure a life of peace and prosperity to the people. It is with this approach and outlook that I have come forward to place before this House the Revised Estimate for the year 1981–82 and the Budget Estimate for the year 1982–83.

3. Tamil Nadu is an integral part of India which shares the trials and tribulations and at the same time contributes to the strength of the country. Any challenge that affects India, affects Tamil Nadu also. For instance, inflation, scarcity of essential commodities, rise in prices, unemployment, poverty, increase in prices of fuels and agricultural inputs, hike in railway and shipping freights—these are problems which affect Tamil Nadu to the same extent as they affect whole of India. The people of the State naturally look up to the State Government only, to solve their problems and fulfil their requirements. Although the State Government carries this heavy responsibility of ensuring the well-being of the people, the financial resources and powers necessary to discharge these responsibilities are available to the State Government only to a limited extent. Only if all parts of the body are strong, the whole body itself can be perfect. Only if the various States of India are strong, prosperous and have adequate resources to meet their requirements, will India be strong and prosperous. It is for this reason that we have been pressing in this House frequently that the Central Government should find ways and means of increasing the financial resources and powers of the States. Perarignar Anna as Chief Minister of our State has reiterated this view in this House at every opportunity. It is but appropriate that we should now recall the words of Perarignar Anna " Our only anxiety is that the Centre desires to take on the burden which it cannot carry. We must accept that the strength of the Centre is no more than the combined strength of the individual States. This alone is logical and this alone is good both for politics and in practice ".

4. While presenting the Budget today, I have tried to express the aspirations and goals of this Government for the development of the State, keeping in mind the national economic picture. The situation in the country does hold promise of progress in certain vital sectors of the economy. As far as Tamil Nadu is concerned, it is always ready to extend a helping hand to the Government of India in their efforts to improve the lot of the common man, which is a cause very dear to this State Government as well. The recent announcement of the Prime Minister spelling out the new 20 point programme is certainly aimed at improving the conditions of the poorer and weaker sections of the society. The State Government whole-heartedly supports this programme and would do its utmost to implement it successfully. Keeping in view all the aspects elaborated by me earlier, I have formulated the Budget proposals for the next financial year to fulfil the economic, social, cultural and various other objectives for the development of the State.

Food Position

5. When we met at the Budget session last year, the State was going through a spell of severe drought. The acute scarcity of water, did have its effect on agricultural production with the result, that the production of rice, millets and pulses is likely to be only of the order of 60 lakh tonnes, 22·80 lakh tonnes and 3·30 lakh tonnes respectively during 1981–82. But, during 1982–83, it is expected that the production of rice would touch 68 lakh tonnes, millets 23·50 lakh tonnes and pulses

4·80 lakh tonnes. Through an effective public distribution system, the spurt in the open market prices of rice and other essential commodities was effectively prevented. In fact, during the year 1981, upto December 1981, about 6·7 lakh tonnes of rice were distributed to the card holders in the urban and rural areas. This convincingly proves the usefulness of supply of foodgrains and other essential commodities through the fair price shops.

6. The family cards attached to various fair price shops which are now in circulation were issued in the year 1975 after a door to door enumeration. They have now to be revised and updated. It has therefore been decided to conduct a general enumeration for the issue of new family cards. The work will be completed in the first half of the year.

7. The distribution of essential commodities, particularly rice, through fair price shops, involves a very heavy subsidy to the consumers from the Government. Although the economic price of rice is much higher, the Civil Supplies Corporation is deliberately keeping the issue price low, in the interest of the consumers. As the Government is bearing a heavy financial burden in supplying these food commodities at a subsidised rate, I would like to make a special appeal to the public to reciprocate this gesture of the Government by discharging their social obligation in furnishing correct particulars, when the door to door enumeration starts for replacing the old cards with the new family cards.

Agriculture

8. Majority of the people in the State depend on agriculture for their living. Hence, any development programme to be implemented in the State has to take note of this important factor. It is the policy of the State Government to give top priority to improve agriculture. Quality seeds are most essential for increasing the production of foodgrains which, in turn, depends on the production of foundation seeds. To increase the availability of foundation seeds, 2 seed farms, with an area of 200 acres each, will be set up in the next financial year at an ultimate cost of Rs. 80 lakhs. Quality seeds can be produced only if they are processed properly. At present, there are 7 giant seed processing units and 28 smaller units. To augment the seed processing facilities 3 new units, at an estimated cost of Rs. 60 lakhs, will be established in the next financial year.

9. Improved water management practices are essential for maximising the benefits from the scarce water resources available in the State. To achieve this, farm development works in major ayacut areas have been taken up. While work has already started in Cauvery and Periyar-Vaigai command ayacut areas, it is likely to be taken up in certain other areas of the State.

10. Increased production of foodgrains requires provision of scientific storage facilities within easy reach of farmers with facilities for pledging their produce and for getting advance payments, in order to avoid distress sales. For this, construction of rural godowns particularly

where regulated markets are situated is very essential. A proposal to construct 62 such godowns at a cost of Rs. 62 lakhs, with the assistance of Government of India is under examination.

11. To give an impetus to increased oilseeds production, an intensive coconut development scheme was started in the districts of Kanniyakumari, Coimbatore and Thanjavur in 1980-81. It will be extended to all the districts in Tamil Nadu in the next financial year. This is expected to increase the production of coconuts from 45 nuts per tree to 60 nuts per tree, in the next three years, thus increasing the total production of coconuts in the State to 40 crores.

12. It is the policy of the Government that each district should have a State horticultural farm. With the establishment of 2 new farms in Tiruchirappalli and Coimbatore districts, the entire State will have one farm per district, by the end of the next financial year.

13. The Integrated Rural Development programme meant essentially for emancipation of the weaker sections of the society consisting of small farmers, marginal farmers, rural artisans, crop sharers, agricultural and non-agricultural labourers and families belonging to scheduled castes and scheduled tribes, continues to receive special attention from the State Government. The outlay for this programme in the current financial year is Rs. 22·56 crores and in the next financial year it is likely to be over Rs. 30 crores.

Animal Husbandry

14. Under the Special Animal Husbandry Programme, many co-operative societies for sheep breeding have been organised for the benefit of the small and marginal farmers. In order to provide better health cover and provide adequate treatment to the animals, it has been proposed to construct buildings for 5 veterinary dispensaries, to open 25 new veterinary dispensaries and to upgrade 5 veterinary dispensaries as veterinary hospitals. To eradicate the rinderpest disease among the cattle, 3 rinderpest checkposts in Nilgiris district will be started during the next financial year. A pilot scheme for the study and control of foot and mouth disease in the Nilgiris district is being introduced with the assistance of Government of India and with the British collaboration, at an estimated cost of over Rs. 3 crores. It will start operating from the next financial year and will be continued for three years. The small and marginal farmers and agricultural labourers are given necessary help to set up small poultry and sheep units and for rearing cows. So far under the special livestock production programme 11,083 sheep units and 3,618 poultry units have been estimated.

Dairy Development

15. The Government has taken a policy decision to set up for dairy development, co-operatives on the Anand pattern. In pursuance of this policy, 3,708 primary milk co-operative societies have been organised so far in Tamil Nadu. To streamline the milk distribution system in Madras City and to eliminate malpractices, consumer

co-operative societies are being organised for undertaking distribution of milk to consumers from depots.

16. Apart from the areas in the "Operation Flood" districts, development activities are encouraged in outside areas also. At present, 4 mobile veterinary units are functioning in the non-Operation Flood districts. Four more units will be commissioned during the next financial year. A dairy, with a capacity of 50,000 litres with 2 chilling centres, will be set up at a cost of over Rs. 29 lakhs in Tirunelveli. A chilling centre costing about Rs. 9·5 lakhs will be established for the benefit of farmers at Pudukkottai.

Co-operation

17. The Government has been helping the lending programmes of the co-operative societies and primary land development banks through various ways. In order to rephase the loans outstanding with the primary land development banks on account of natural calamities, the Government has contributed Rs. 2.07 crores to the State Land Development Bank. To improve the eligibility of the primary societies, Rs. 47·44 lakhs have been contributed, for notionally reducing the overdues of the banks. Anticipating improvement in the repayment of loans in the coming year, a provision of Rs. 60 lakhs has been made towards the contribution for the debentures that will be floated by the State Land Development Bank for implementation of ARDC assisted schemes. Loans and subsidy will also be provided for 100 rural godowns to be set up by Agricultural

Service Co-operatives and for starting 5 marketing godowns by market societies, at an estimated cost of over Rs. 86 lakhs. The programme of increasing the number of motorised cycle rickshaws will be continued and a subsidy of Rs. 11·30 lakhs will be released for purchase of these 1,000 cycle rickshaws.

18. A scheme to cover one lakh families of agriculturists belonging to scheduled castes, by enrolling one person from each family to the membership of the agricultural service co-operative societies, to enable them to avail themselves of credit and other services rendered by the apex societies, is being continued. Under this scheme, 20,000 persons are being enrolled during the next financial year.

19. The LAMP co-operative societies have been started to improve the standard of living of the tribal members by providing them with integrated, credit, marketing and other services under one roof. More of these societies will be started in Nilgiris, Salem and North Arcot districts during the next financial year.

20. The Government's decision to ensure supply of foodgrains and other essential commodities to the public at reasonable prices without sacrificing the interests of the producers and the consumers, through the medium of the co-operative set up, has already been enunciated in the Governor's Address, earlier this month. As a follow up measure, preliminary action has been initiated in this direction. Necessary financial assistance would be provided to the co-operatives to implement this scheme successfully.

Fisheries

21. Recognising the fact that the economic upliftment of fishermen requires a stable market for their catch and facilities for landings, the Tamil Nadu Fisheries Development Corporation has set up its procurement and marketing activities at important centres and the Department of Fisheries is providing landing facilities, fishing harbours, fish landing jetties, auction halls, etc. The Madras Fishing Harbour costing about Rs. 11 crores is nearing completion. It is also encouraging that Government of India have recently given clearance for starting fishing harbours at Chinnamuttam in Kanniyakumari district and Valinokkam in Ramanathapuram district. The State Government has also requested the Government of India for the sanction of the Pazhayar Fishing Harbour Scheme in Thanjavur district.

22. With the intention of securing prawn in natural conditions, brackish water prawn demonstration farms have been set up in 10 places. A scheme for the starting of prawn farms covering an area of 300 hectares near the estuaries, during the next three years, has been drawn up and it is being sent to Government of India for clearance. The outlay for this project will be over Rs. 2·60 crores.

23. The present production of finger-lings is about 60 millions. Ten centres are being developed with an outlay of Rs. 1·20 crores, to secure an additional nursery area of 12 hectares which will produce an additional quantity of 50 million finger-lings. This scheme will progressively be expanded so as to produce the entire requirement of finger-lings.

24. The housing programme for fishermen is being implemented. Over 9,900 houses have been sanctioned for construction. Link roads are also being provided to the colonies of fishermen to enable them to have easy access to the main road and for taking their catches to the markets.

25. The operation of the two Mexican trawlers of the Tamil Nadu Fisheries Development Corporation has been quite encouraging. They have landed so far 56 tonnes of prawns and 17·66 tonnes of fish valued at about Rs. 34 lakhs from First July 1981.

Forests

26. The scheme of social forestry is one of the schemes included in the Sixth Five-Year Plan. A social forestry project with financial assistance from the Swedish International Development Authority (SIDA) is now under implementation in Tamil Nadu with effect from 1st April 1981. This project envisages an outlay of Rs. 108 crores over a period of 10 years. The first phase of the project which has been approved recently, covers a period of 5 years with an outlay of Rs. 45 crores. A sum of Rs. 8 crores has been allotted under this scheme for 1982-83.

27. While efforts are on for increasing the area under forest plantation, Government is also ensuring that the forest wealth is preserved. For this, additional vehicles and other equipments to the forest staff will be provided, costing about Rs. 20 lakhs, during the next financial year. Formation of new roads and

improvement of existing roads will be taken up in the next financial year at an estimated cost of Rs. 36 lakhs. Construction of staff quarters and check posts will be taken up with an allocation of Rs. 34·78 lakhs during 1982-83. To protect the Nilgiris Tahr, a sanctuary will be set up in the next financial year with the assistance from the Government of India.

Irrigation

28. A provision of Rs. 22·23 crores has been made for major and medium irrigation schemes and about Rs. 2 crores under special minor irrigation programme, etc. During the current year, three new medium irrigation schemes—Noyyal Reservoir Schemes (Rs. 7·13 crores) in Periyar and Tiruchirappalli districts, Kesari Gulihalla Reservoir (Rs. 2·79 crores) in Dharmapuri district, expansion of Tiruparappu canal (Rs. 46·70 lakhs) in Kanniyakumari district, have been sanctioned to irrigate an additional area of about 5,700 hectares. The additional food production from these new schemes is expected to be 14,400 tonnes. In addition, 16 new minor irrigation schemes have also been sanctioned during the current financial year to irrigate an additional extent of over 1,000 hectares with an anticipated food production of about 2,150 tonnes.

29. During 1982–83, the Uppar Reservoir Scheme is likely to be completed, providing an irrigation potential of 720 hectares. Under Parambikulam-Aliyar Project Scheme, 9,040 hectares are likely to be covered. The Periyar Vaigai Modernisation Project will be continued

during the next financial year with an outlay of Rs. 10 crores. The project is expected to be completed by 1984. Apart from reducing the water loss in the existing conveyance system it would provide an additional irrigation potential of about 10,300 hectares. This project is being implemented with World Bank aid.

30. Along with the major and medium irrigation projects, Government has also been giving importance to the development of minor irrigation schemes. The completion of 30 minor irrigation schemes in 1982–83 is expected to provide irrigation facilities for an additional area of about 2,530 hectares. Government has also decided to take up standardisation of Ex-Zamin tanks. As a first step, tanks in North Arcot and Ramanathapuram districts will be taken up in the next financial year for which an allocation of Rs. 3 crores has been made.

Power

31. The one sector which is pulling down the financial resources of the State is Power. I will elaborate on this point at a greater length later. The progress of any State, be it in Agriculture or Industry is gauged by the development of Power. Tamil Nadu has done quite well in energy generation, both from Thermal and Hydel sources. This has been due to the high priority that is being given by the State Government in allocating finances for the Power sector in the State. As the Hon'ble Members are aware the outlay on the Power sector is about Rs. 1,023 crores in the Sixth Plan in the State's overall outlay of Rs. 3,150

crores. The approved outlay for Power in the next financial year is Rs. 220 crores. To increase the power generation, various projects are now under execution. They are the third unit of Tuticorin Thermal Station (210 MW), Servalar Hydro-Electric Project (20 MW), Kadamparai Pumped Storage Scheme (peaking only) (4×100 MW), Lower Mettur Hydro-Electric Scheme (120 MW), Kundah Power House (20 MW) and Mettur Thermal Scheme (420 MW). Apart from the above, the State is keenly awaiting the commissioning of the Madras Atomic Power Project (Kalpakkam) with two units of 235 MW each. The first unit is expected to be ready early next year and the second unit a year thereafter. The second thermal station at Neyveli is under construction and the first 210 MW unit is targetted for production in 1984–85. In an attempt to harness further the available hydel potential, the State has taken up 3 Micro Hydel Schemes at Pykkara, at Lower Bhavani and at Vaigai Dam, at an estimated cost of Rs. 11·75 crores. These schemes cleared by Government of India in August 1981, are expected to be commissioned in November 1984.

32. Till the end of December 1981, about 938,500 agricultural pumpsets have been energised. For the next financial year, 30,000 agricultural pumpsets have been targetted for energisation. In an attempt to reach electricity to the weaker sections of the society, a special scheme to electrify huts in panchayat areas was launched in July 1979 and a total number of 4·05 lakh huts have been electrified so far. As on 1st January 1982, 15,595 villages and 47,454 hamlets have been electrified which represent about 99 per cent of the total villages

and hamlets in the State. As on date no Adi Dravidar colony in the State is left without electrification. Tamil Nadu State is the only State in the country to achieve this unique distinction.

Industrial Development

33. As the Honourable Members are aware the existing incentive schemes have been liberalised for the rapid development of Industries in this State. The special concessions announced to facilitate the growth of Industries are (*a*) the enhancement of existing ceiling on interest free sales tax loan to industries, (*b*) development of new industrial complexes at five places in the State where new industrial units will enjoy the facility of exemption from power cut for the first five years, and (*c*) extension of subsidy for creation of certain new industries in the field of electronics, drugs and ancillary automobile units. In the light of the liberalisation of incentives and consequent to the visit of Industries Minister to certain other States in the country, preliminary enquiries/indications, have been received for starting possible industrial ventures in the near future in this State.

34. Keeping in view the potential of certain areas in the matter of availability of local resources, raw materials, man-power skills, infrastructural facilities, etc., the Government has decided to declare six more taluks as backward and to extend all the concessions available for backward areas to the entrepreneurs for starting new industrial ventures in these six taluks.

35. The project for producing newsprint and writing paper based on sugarcane bagasse, at an estimated cost of Rs. 190 crores, will herald a new technology in the country. It is to be financed from the funds provided by the Government of Tamil Nadu, Indian Financial Institutions and the World Bank. Necessary agreements with the financial institutions and the World Bank have been signed by Tamil Nadu Newsprint and Papers Limited. Work on acquisition of land and payment of advance for machinery for the project etc., are apace.

36. Another major activity in the industrial sector is the formation of Non-resident Investment Cell at SIPCOT for tapping investment from abroad for the Industrial ventures to be set up in the State.

37. The Public Sector Undertakings of the State Government in the industrial field are continuing to render useful service in promoting industrialisation in the State. The Tamil Nadu Industrial Investment Corporation (TIIC) finances mostly tiny, small and medium scale industries with a minimum of Rs. 3,000 and a maximum of Rs. 30 lakhs. Besides term loan, it also underwrites equity in select cases and extends guarantee for supply of machinery on deferred payment terms. In tune with the policies of the Government, the Corporation has of late been laying much emphasis on the sanctions to mini and small scale industries, which generate larger employment opportunities with lower capital investment. During the nine months of the current financial year, over Rs. 31 crores have been sanctioned as against Rs. 37 crores in the whole of the

last financial year. The sanctions in the current year are expected to touch Rs. 45 crores and for 1982-83 TIIC has set a target of Rs. 60 crores.

38. Tamil Nadu Industrial Development Corporation (TIDCO), which has been entrusted with the task of setting up and managing some of the large and medium industries in the public sector and also promoting industrial units in joint sector in collaboration with private entrepreneurs, is managing the Steel Plant at Arakonam and the Cement Plants at Alangulam and Ariyalur. Its activities will be expanded with the setting up of new projects, including an Explosives Project. The application of TIDCO to the Government of India for a letter of intent for setting up of the third Cement Plant in the Public sector is still to be cleared by the Government of India.

39. The industrial progress of any State depends to a large extent on the investment made by the Government of India in the Central Sector projects. The State Government has suggested to Government of India the establishment of more projects in the Central sector in this State. It is hoped that the Government of India would give necessary approval for these schemes.

40. The State Industries Promotion Corporation of Tamil Nadu (SIPCOT) has been entrusted with the job of developing industrial complexes at Gummudipoondi, Cuddalore, Pudukkottai, Manamadurai and Tuticorin and to provide basic infrastructural facilities in these areas. This Corporation continues to give subsidy to industries

which are to be set up in the backward areas and extends term loan facilities to industries.

41. The Tamil Nadu Magnesite Limited which is raising raw Magnesite from the Mines is expected to earn a net profit of Rs. 81·22 lakhs during 1981–82. This corporation has proposed to set up a Refractory Plant for manufacture of Magnesite Bricks and Beneficiation Plant to produce better quality Magnesite Bricks. As a first stage, a Rotary Kiln, at a cost of about Rs. 5 crores is to be set up for converting raw Magnesite into dead burnt Magnesite. Due to this expansion, the employment potential will increase further.

42. The Tamil Nadu Minerals Limited (TAMIN) continues to keep up its excellent performance. The corporation has earned an operating profit of about Rs. 25 lakhs during the third year of its operation. TAMIN has proposed to set up a Graphite Concentration Plant at Sivaganga and also a cutting and polishing unit for Black Granite near Madras, during the next financial year.

43. Government has applied to the Central Government for grant of licence to start a 1,250 TCD Sugar Mill at Tiruttani. It is also proposed to start another sugar mill in Pudukkottai district. The Government has also taken a policy decision to the effect that in case the public sector and co-operative sector do not come forward to set up sugar factories, the private sector would be permitted to set up sugar mills in areas where there is availability of sugarcane, without detriment to the working of the existing mills.

Small Industries

44. The development of Small-Scale Industries has always been receiving the special attention of the State Government. The Tamil Nadu Small Industries Development (SIDCO) is one of the main agencies of the State Government to promote development of Small Scale Industries. SIDCO provides an umbrella of incentives and assistance to the Small Industries by provision of work sheds and developed plots with infrastructural facilities, distribution of key raw materials, disbursement of Central Investment Subsidy and State Capital Subsidy, etc. It has so far allotted 837 Developed Plots in 5 Developed Plot Estates. SIDCO has completed 300 work sheds in its own Industrial Estates during 1981–82. Apart from this, SIDCO also proposes to set up Industrial Estates exclusively for leather industry, Pharmaceuticals and Engineering Industries in various places in Tamil Nadu in 1982–83.

45. SIDCO's performance in the distribution of key raw materials has progressed steadily and it is expected to rise to Rs. 24 crores in the current financial year as against Rs. 18 crores in 1980–81. On the marketing side, products worth Rs. 300 lakhs in all would have been marketed by SIDCO on behalf of the Small Scale Industries during 1981–82. During the next financial year, it is proposed to establish one Trade Centre at Madras and 2 Market Information Cells at Madurai and Coimbatore, to help Small Scale Industries Units and Government Departments.

Sericulture

46. Sericulture gained importance only during the last few years, due to the promotional attitude taken by the Government towards this industry. Various developmental schemes have been undertaken, including provision of additional infrastructural facilities which are likely to result in the coverage of mulberry cultivation going upto about 48,000 acres. During 1982–83, an additional area of 8,000 acres will be brought under mulberry cultivation, creating additional employment opportunities to 40,000 persons. Two Demonstration-*cum*-Training Centres to impart training to 6,000 farmers and 2,000 weavers will be established at an estimated cost of about Rs. 20 lakhs. In order to make available improved variety of seeds, a bivoltine seed farm will be established in the next financial year at a cost of about Rs. 24 lakhs. Forty village level community chowkie rearing sheds will be organised which would go a long way to increase the viability of the sericulture units of the farmers. Infrastructural facilities at Government Farms will be provided with an additional investment of Rs. 58·37 lakhs during the next financial year. To render better service to the Agriculturists on sericulture, District Offices will be set up in Periyar and Chengalpattu districts.

Village Industries

47. The Khadi and Village Industries Board is promoting and developing Khadi and Village Industries with the main objective of removing rural poverty and eradicating the unemployment problem in the rural areas. The Board

accounted for production and sale of goods worth Rs. 48 crores and Rs. 53 crores respectively during 1980–81. It has proposed to produce and sell goods worth Rs. 64 crores and Rs. 70 crores respectively during the next financial year. The Board is providing employment opportunities to nearly 4·26 lakhs of persons and it would create additional employment opportunities for 33,000 persons during 1982–83. By the end of the Sixth Plan period, nearly 8·58 lakh persons would be employed in the Khadi and Village Industries Sector in the State. The Board gives financial assistance to a large number of artisans with a view to raise their standard of living. It is proposed to assist 18,000 artisans to the tune of Rs. 7 crores in 1982–83.

48. In order to develop the coir industries from the fibre production stage to the manufacturing stage, two curled coir societies, at a cost of about Rs. 8·50 lakhs each and one coir mat and matting society at a cost of Rs. 5·40 lakhs, have been proposed to be set up during the next financial year. The Coir Board has come forward to set up a Research and Training Centre for Brown fibre with the assistance of the State Government which will be providing land at a cost of Rs. 5 lakhs for this project.

Handlooms

49. The abiding interest of the State in the handloom industry is obvious from the fact that the financial outlay for handloom sector has been increased from a level of Rs. 27·82 crores during the Fifth Five-Year Plan period to Rs. 84·58 crores in the Sixth Five-Year Plan period. The

State Government has taken a policy decision to liberate the poor handloom weavers from the clutches of the master weavers and to admit them into weavers' co-operative societies, to help them to avail themselves of the benefit of various handloom developmental schemes implemented by the Government. It is also proposed to get the assistance of the nationalised banks for sanctioning consumption loans for liberating them from the clutches of master weavers and to admit them into the co-operative fold.

50. Out of the total of 5·56 lakhs handlooms in the State, 2·89 lakhs (52 per cent) handlooms have so far been organised into 1,251 primary weavers' co-operative societies. The State is aiming at a target of 67 per cent co-operative coverage by the end of the Sixth Plan Period. The provision of common worksheds for the benefit of loomless weavers is the highlight of the scheme. It is proposed to organise 7 new industrial weavers' co-operative societies with common worksheds, exclusively for the benefit of 700 weavers belonging to Adi Dravidar communities, during the current financial year.

51. The 12 Co-operative Spinning Mills in the State continue to take care of the yarn requirements of the handloom weavers in the co-operative sector. To meet the increasing demand for yarn, 3 new co-operative spinning mills, one each at Pudukkottai, Dharmapuri and Theni have been recently registered and follow up action has been taken to set up these mills with a capacity of 25,000 spindles each and involving a total capital outlay of Rs. 21 crores. It is also proposed to set up a new spinning mill of

12,000 spindles at Ettayapuram in commemoration of the great Poet Bharathi. The existing co-operative spinning mills at Salem and Vellore will be expanded with an addition of another 12,000 spindles each. The above programmes of setting up of new mills and expansion of the existing mills will create an additional employment potential for about 3,000 persons.

52. With a view to avert possible yarn crisis in the future, the Government proposes to set up a raw material bank with financial assistance from the Government of India on a matching basis. Currently, the silk handloom weavers in the State are experiencing difficulties in getting raw silk at reasonable prices. As a result of the efforts taken by this Government, the Government of India have taken action to import raw silk from China. The first consignment of imported raw silk is expected to be made available shortly.

53. The Government has been providing marketing support to the Co-optex in a big way. The sales performance of Co-optex during 1980–81 was Rs. 48 crores as against the expectation of Rs. 45 crores. The turnover during the current financial year is expected to be around Rs. 65 crores. With the assistance of Government of India, the Government has provided additional equity of rupees one crore to Co-optex, during the current financial year to achieve the higher turnover target. Welfare measures like the Co-operative Handloom Weavers' Savings and Security Schemes, the Weavers' Housing Scheme, etc., are also under implementation.

54. The Tamil Nadu Handloom Workers' (Conditions of employment and miscellaneous provisions) Bill, 1981 which has been passed by the State Legislature has received the assent of the President and has become an Act. This Act seeks to regulate the working conditions of the handloom weavers in the State. With a view to monitor the enforcement of the provisions of this Act and also to render necessary assistance to the handloom weavers in the private sector, the Government is considering a proposal to set up a State Handloom Board with adequate powers.

Housing

55. The housing activities of the Governmental agencies are mainly carried out through the Tamil Nadu Housing Board and Slum Clearance Board. In 1981-82 the Tamil Nadu Housing Board has a programme of constructing dwelling houses which will provide residential accommodation to about 8,030 families of the economically weaker sections, low-income groups, etc. During the next financial year, the Housing Board will be providing accommodation for 8,830 families. The construction of rental quarters for Government employees is also undertaken by the Tamil Nadu Housing Board. So far, 11,976 quarters have been constructed.

56. The work of the Slum Clearance Board is progressing well. Till 1980-81, about 31,000 tenements at a cost of about Rs. 35 crores have been constructed. During the current financial year, about 3,000 tenements are expected to be completed. During the next financial year, 3,500 more tenements will be put up.

57. The rural housing scheme started in the year 1979 has been a great success due to the overwhelming demand from the rural folk. The original target of one lakh houses in five years has been increased to 2 lakh houses in five years. During 1980–81, 40,831 houses were constructed, out of which 34,510 were for Adi Dravidars. In 1982–83, assistance will be given for the construction of 40,000 houses.

Roads

58. The importance of developing the road net work has been recognised by the Government and formation and improvement of roads under various schemes have been taken up. Under the self-sufficiency programme, link roads to connect villages with a population of less than 1,500 are being formed. Under the same scheme, culverts are also being constructed and about Rs. 43 crores will be spent on roads and culverts during 1981–82. Under the drought relief programme, Government has sanctioned an expenditure of Rs. 6 crores for construction of new roads. During the course of this financial year, 31 additional road works have been sanctioned to the tune of Rs. 18 crores. Road works are also being started in the tribal areas of Kalrayan Hills and also in other tribal areas. Under the Hill Area Development Programme, Rs. 6 crores have been sanctioned for improving the existing roads and construction of new roads. These efforts are being continued in the coming financial year as well. New works to the value of Rs. 10 crores will be taken up in 1982–83 and Rs. 11.07 crores have been allotted for the Minimum Needs Programme for the same

year. For taking over the roads on which the buses ply in the Panchayat Unions, Rs. 12 crores have been earmarked in the next financial year. Under this scheme, from 1979–80 upto 1981–82, 8,103 kilometres of bus route roads have been ordered to be improved, benefiting 4,052 villages covering a population of over 41 lakhs. The kilometreage to be taken over during the next financial year is about 1,220. In addition, Rs. 22·69 crores have been earmarked for maintenance of the existing roads. From the above, it is clear that a heavy investment is made on the formation, maintenance and improvement of the roads in the State.

Road and Water Transport

59. Operationally speaking, the performance of the Transport Corporations has been quite good. Though the bus fare was revised with effect from 12th June 1981, to meet the escalation in the price of fuel and other running costs, the announcement by the Government of India of another steep hike in the price of diesel with effect from 11th July 1981 has upset the calculations of the Transport Corporations. These Corporations which were running on profit a few years ago, are in financial difficulties now. In spite of this, various generous concessions and facilities have been granted to the workers of these Corporations.

60. It has been decided to set up new Transport Corporations in the State. They are Pattukkottai Alagiri Transport Corporation at Vellore, Jeeva Transport Corporation at Erode, Nesamani Transport Corporation at

Nagercoil and Marudu Pandiyar Transport Corporation at Karaikudi. They are expected to start functioning from 1982–83. These are being set up with a view to reduce the size of the existing Corporations and to ensure better management with lesser territorial jurisdiction and a more manageable fleet strength.

61. The ferry service from the main land to Vivekananda Rock Memorial at Kanniyakumari was being run by the Vivekananda Kendra. This service was stopped because of dredging difficulties and other local problems. The Government has since taken over the ferry service and is running it from 1st October 1981. The Government has also decided to construct a foot bridge from the main land to Vivekananda Rock Memorial as a permanent solution to the problem ensuring a link between the main land and the Memorial. The detailed plans and estimates are under preparation.

Rural Development and Self-Sufficiency Scheme

62. The food for work programme launched as a Central Sector Scheme in the year 1979 has been modified as the National Rural Employment Programme from October 1980. This programme aims at (*a*) generation of additional gainful employment for the rural unemployed, (*b*) creation of durable community assets by strengthening rural infrastructure which will lead to rapid growth of rural economy and rise in the income level of the rural poor, and (*c*) improving the nutritional status and living standards of rural people. This programme covers all the 378 blocks in the State and it is implemented as a Centrally-sponsored Scheme.

63. This scheme has provided employment opportunities to the unskilled rural workers and has also created community assets. During 1981–82, a grant of Rs. 22·20 crores and 14,138 tonnes of rice have been allotted to the State. From 1st April 1980 till the end of January 1982, about Rs. 30 crores worth of works have been completed.

64. The Self-Sufficiency Scheme is aimed at developing the rural economy through various projects. During the year 1980–81, only 69 blocks were covered. After realising the importance of this scheme and the numerous benefits which have accrued to the rural population, the Government decided to cover 150 blocks in the current financial year. All the remaining blocks will be covered during the next financial year. During the year 1981–82, the expenditure is likely to be stepped up to Rs. 89 crores of which the water-supply component would be about Rs. 30 crores. The State Government is giving grants to Panchayat Unions to an extent of Rs. 41 crores and a loan of Rs. 11 crores, while the balance amount will be made available by the Panchayat Unions. During the next financial year, about Rs. 97 crores are likely to be spent in the self-sufficiency blocks for undertaking water-supply and various other developmental works.

65. Spurred on by the encouraging results of the successful implementation of the self-sufficiency scheme in the rural areas, it is now being extended to town panchayats and financially weak municipalities, from 1982–83 onwards, with suitable modifications. A provision of Rs. 10 crores has been earmarked for this purpose

in the Budget Estimate for 1982-83. This programme will be implemented in a phased manner in the coming years.

66. The Government has been working towards realising the objective of providing protected water supply to all the habitations in the rural areas within a time frame. A scientific survey and analysis of the sources of water has been made and the habitations have been classified into six categories. Work on this scheme is under execution. A scheme for providing drinking-water to 78 towns with the assistance of the World Bank is also under consideration.

Tourism

67. With the advantages of an efficient transport system, good roads, hotel facilities etc., tourism has been flourishing in Tamil Nadu. The Government's awareness of the tremendous tourism potential of a culturally rich State and the social and economic benefits of tourism development including employment potential, is reflected in the increasing Budget allocation made for the development of tourism. In accordance with this policy, a master plan has been drawn up for the development of identified travel circuits in the State, so as to cover tourist resorts of international importance. Separate master plans for the development of Rameswaram, Mamallapuram and Kanniyakumari have also been drawn up and they are being implemented in stages, even while the assistance from the Government of India is being sought for.

68. The role of Tamil Nadu Tourism Development Corporation in providing accommodation and transport facilities to the tourists visiting the State has been acclaimed by all. Its efforts in having appointed overseas selling agents at Kualalumpur and Singapore, have yielded good returns in terms of increased foreign exchange earnings. The Corporation is implementing the Government's policy of providing tourist facilities to visitors of various income brackets. To cater to the international and high income group tourists, it has commissioned a three star hotel at Madurai and the second three star hotel at Coimbatore is nearing completion. The beach resort complex at Mamallapuram is being expanded to make it a tourist attraction for the high spending foreign and local tourists. The existing hotels of the Corporation are being upgraded and modernised to cater to the needs of the middle income and domestic tourists.

69. This Corporation is also constructing nine youth hostels to provide inexpensive accommodation not only to the youth tourists but also to the low-income group tourists. One such youth hostel has been commissioned at Yercaud and youth hostels at Hogenekhal, Rameswaram, Mandapam, Uthagamandalam and Mamallapuram are ready for commissioning. The rest will be completed in the next few months. Tamil Nadu leads other States in the country, in implementing the scheme of providing inexpensive accommodation to the low-income group tourists. The Tamil Nadu Tourism Development Corporation has also increased its fleet strength and it is poised for a bigger growth in the

coming years, when it will take up new lines of activities to promote tourism.

Education

70. The fact that the allocation for Education has been steadily on the increase during the last few years is a clear evidence of the emphasis and importance, the Government attaches to Education. The State has been doing very well in the enrolment of boys and girls in the age groups of 6 to 11 and 11 to 14. In order to make the young children school minded, the Government will be sanctioning a nursery section in each of the 4,433 Child Welfare Centres (Balwadis) during the next financial year. The rate of drop-outs at the primary school level, that is, for the age group 6 to 11, has been coming down in the recent years. From 51 per cent in 1973–74, it has come down to 30 per cent in 1980–81.

71. The teachers in the Panchayat Union elementary schools have been absorbed as State Government employees from 1st June 1981. To meet the growing demand for teachers, it is proposed to sanction a large number of posts during the next financial year. To cover the additional enrolment in the age group 6 to 11 and 11 to 14, one thousand posts of teachers will be created. The other posts, which are likely to be sanctioned are, 500 posts of Tamil Pandits, 150 posts of Physical Education Teachers, 50 posts of High School Headmasters and 300 posts of B.Ed. grade teachers. Construction of class rooms and laboratories in 67 Government Higher Secondary Schools at an estimated cost of Rs. 167·50 lakhs will be taken up during 1982–83.

72. In order to promote the education of Scheduled Castes and Scheduled Tribes, a scheme of supervised study in English, Mathematics and Science for students in standards 8 to 10, in 500 select High schools has been sanctioned in 1981–82. This scheme will be extended to a number of first and second year Higher Secondary Classes, in Higher Secondary Schools during the next financial year.

73. The Adult Literacy Education Programme will be continued in 61 blocks in the next financial year. Non-formal education centres in 50 Panchayat Unions and 122 post literacy centres will also be started during 1982–83.

74. While general education has been given its due place at the school level, collegiate education and technical education have also been given equal importance. As the Hon'ble Members are aware, Universities have already been established at Coimbatore, Thanjavur and Tiruchirappalli. New Degree and Post-graduate courses in Government colleges will be opened during 1982–83. Work will also be started on the construction of a building for the Government Law College at Tiruchirappalli and for a hostel for the men students of Madurai Law College.

75. Twelve Polytechnics have been started during the period from 1979–80 to date. A new Engineering College has been established at Tirunelveli. New courses in Polytechnics and Engineering colleges will be started and facilities for improving the buildings and equipments in technical education institutions have been provided for in the next financial year. A provision

of Rs. 62 lakhs has been made in 1982–83 to enable Anna University of Technology to develop its facilities and for availing itself of the assistance from the University Grants Commission. The Committee constituted to prepare detailed project reports for the science and technology museums to be set up at Madras, Tiruchirappalli and Coimbatore, has already started functioning.

76. On the Sports side, a new programme titled " Catch them very young " for identifying pre-school children having aptitude for sports, will be introduced in the next financial year. A Sports School for girls will be started at Coimbatore. One hundred and fifty rural sports centres and eight hobby centres are likely to start functioning during 1982–83.

77. The Connemera Public Library is being modernised as per the recommendations of a High Level Committee appointed by the Government. The State department of Archaeology will be intensifying the survey and under-sea archaeological explorations, off the coast of Kaveripoompattinam.

Tamil Arts and Culture

78. Hon'ble Members are fully aware of the very special interest taken by this Government in the development of Tamil, Traditional Tamil arts and other cultural activities. Special programmes are being undertaken during the next financial year in furtherance of this policy.

79. There are hundreds of old Palm leaf manuscripts in far off villages without proper preservation.

It is proposed to identify, collect and publish, worthy Tamil Palm leaf manuscripts on Art and Science, especially the lesser known manuscripts on music, sculpture, painting and some branches of science like Botany, Astronomy, Zoology and Ornithology. It is also proposed to reprint some valuable old books with a view to revive and promote active literary and cultural awareness among the Tamil Public.

80. A scheme for planned documentation of the history and culture, arts and the social life of the villages of Tamil Nadu, is being drawn up. In addition, to what has been brought out in print, there is a lot of worthy material handed down by word of mouth from generation to generation. This material is full of Literary and Artistic value, which would be lost to the new generation if we do not document them. Hence, it is proposed to bring out encyclopaedic volumes by scripting this rural heritage of Tamil Nadu. In addition to these printed books, recordings will be made of folk traditions, reflecting the musical and other artistic patrimony of our village folk.

81. In addition to folk arts and folk music, it is planned to make exclusive tape-recordings of master musicians for the purpose of preserving classical music, reflecting the 'Pann' system of Tamil Nadu. Some of the great Ragas that have been cultivated and embellished in Tamil Nadu would form the main bulk of these recordings.

Health and Family Welfare

82. " Health for all by 2000 AD " is the slogan of South East Asia Health Charter of the World Health Organisation, to which, India is a signatory. Towards achieving this committed aim, the State Government is pursuing a policy of progressive measures in the areas of prevention and cure of diseases, improvement in the public health and sanitation and above all in the Family Welfare Programme.

83. The attention of the Health department is focussed both on the rural and urban areas, on the young children as well as on the adult population. During the next financial year, it is proposed to get the health, of the students studying in standards 1 to 5, checked for which one comprehensive health card to every child in the age group of 5 to 11 will be given. The existing bed strength of 250 at the Institute of Child Health and Hospital for Children, Madras, will be doubled to 500 at a cost of Rs. 173·24 lakhs during 1982–83. It is also proposed to open paediatric clinics in 12 Government hospitals in the next financial year. During the next financial year, 15 Primary Health Centres will be upgraded into 30 bedded hospitals at a cost of Rs. 140·49 lakhs.

84. The Government recently acquired a head scanner for the General Hospital in Madras. During the next financial year, a head scanner at Thanjavur and a whole body scanner at Madurai, at a total cost of about Rs. 1·50 crores, will be installed. Equipment worth about Rs. 20 lakhs will be acquired for the virology laboratory at Madurai during 1982–83. Additional equipments like X-ray and

other units will be secured for use in the various hospitals in the State. It is proposed to acquire an ultra sonic apparatus with necessary attachments at a cost of Rs. 10 lakhs for Arignar Anna Memorial Cancer Hospital at Kancheepuram. Additional accommodation for the trainee nurses and for the nursing staff, would be provided at Coimbatore and Madurai, at a cost of about Rs. 103 lakhs. Generators will also be installed in some of the hospitals in the State where the need for the same has been keenly felt.

85. The accident and emergency services will be extended to two more districts, namely, Salem and South Arcot, at a cost of nearly Rs. 50 lakhs, as the third phase of the scheme, during 1982–83.

86. In pursuance of the recommendations of the Hathi Committee, the Government has recently separated the drug control administration from the Directorate of Public Health and Preventive Medicine and has constituted it as a separate department.

87. Tamil Nadu has been in the forefront in encouraging the Indian systems of medicine. In the next financial year, Siddha wings will be opened in 10 more Primary Health Centres and a regional pharmacy for manufacturing Siddha medicines will be set up at Pollachi at an estimated cost of about Rs. 20 lakhs. The pharmacy at the Government College of Indian Medicine, Palayamkottai will be strengthened at a cost of over Rs. 10 lakhs. It is also proposed to start a 24 bedded children's ward attached to the Government Siddha Medical College at

Palayamkottai. A drug testing laboratory will be added on to Arignar Anna Government Hospital of Indian Medicine, Madras, during 1982-83.

88. As a part of the programme of dental care of the rural population, it is proposed to supply tooth powder, prepared on scientific lines, free of cost, to the villagers through sub-centres, Primary Health Centres, Government dispensaries, Taluk hospitals, etc. It is also proposed to treat victims of snake bites in the rural areas, effectively and promptly, by providing Sera through sub-centres, Primary Health Centres, Dispensaries, etc.

89. Tamil Nadu is one of the States where the Family Welfare Programme has been carried out on a voluntary basis, in a very successful manner. All the economic gains will be set at naught if the population explosion is not contained. The demographic situation in the State, as revealed by 1981 census has been very encouraging. The State has registered a very low growth rate of 17·23 per cent in the decade which probably is the lowest in the country. The effective campaign to educate and motivate the eligible couples to adopt the small family norm, is proving fruitful. Upto the end of December 1981, 83 per cent of the proportionate target of sterilisation fixed for the year 1981-82 has been achieved. The Government has set for itself the goal of cent per cent achivement of target in sterilisation, during the current financial year. For this, the assistance of various associations and voluntary agencies has been enlisted.

90. A Health Care and Family Welfare Project assisted by the Danish International Development Agency

(DANIDA) is now under implementation in the two districts of Salem and South Arcot. The programme costing Rs. 14·40 crores will run for a period of 5 years. The overall objective of the project is to improve the health and family welfare status, specially of the weaker sections of the society. The main activities under this project, relate to establishment and strengthening of the health related infrastructure, provision of Health and Family Welfare services, sanitation programme, nutrition programme, Community Welfare Schemes, etc. The Government has already sanctioned certain components of this project like construction of 58 Health sub-centres, quarters for 20 lady health visitors, establishment of 95 additional health sub-centres, etc.

91. A supplementary rural water-supply programme to provide drinking water to over 18 lakhs of people in about 3,640 rural habitations in these two districts has been drawn up. An assistance of about Rs. 35 crores has been sought for from DANIDA, through Government of India for implementing this programme in the next 4 years.

Social Welfare

92. The task of improving the socio-economic conditions of Adi Dravidars has been taken up in right earnest by the State Government in the last few years. It is the endeavour of the Government to see that all the departments work towards achieving the target of 18 per cent reservation in job placements in public services. Under the Integrated Rural Development Programme (IRDP) about 51,443 Adi Dravidar families have been covered and about

44,500 Adi Dravidar families have benefited under the programme of special Central assistance on the IRDP pattern. Rural textile centres and industrial weavers' co-operative societies and various other activities are being started to help the Adi Dravidars. This involves an outlay of about Rs. 8·04 crores covering 10,384 beneficiaries. Efforts are being made to enforce the Minimum Wages Act in the agricultural sector to help the Adi Dravidars employed as agricultural labourers. A special programme is being drawn up so that, within a period of three years between 1982 and 1985, the Adi Dravidar habitations are provided with drinking water and certain other facilities like access to main villages, to public roads, to health facilities and provision of essential goods, etc. A special survey has been undertaken to identify the actual and felt needs of each Adi Dravidar habitation to take follow up ameliorative measures. The Government is particular that the house-sites given to Adi Dravidars are made fit for construction of houses. The Collectors have been requested to take up this work on a priority basis. The rural housing scheme has mainly benefited the Adi Dravidar families. In 1980–81, 34,510 out of 40,831 houses constructed under the rural housing scheme were for Adi Dravidars. During the current financial year, out of 9,756 houses completed till December 1981, 8,545 houses were accounted for by Adi Dravidars. The tempo of helping Adi Dravidars in house construction will be kept up in the coming years also.

93. The programme of construction of hostels for Adi Dravidar students is being continued. During December 1981, revised sanctions for the construction of 51 girls,

hostels at a cost of Rs. 3,57·94 lakhs and for 27 boys hostels at a cost of Rs. 2,00·65 lakhs have been issued. For the welfare of the backward class students, 40 new backward class hostels will be opened in the next financial year at an estimated cost of Rs. 22·50 lakhs. Three new hostels for the benefit of denotified communities will also be opened. Rs. 7·5 lakhs has been provided for the construction of school buildings for the denotified community schools.

94. The Special Component Plan is now under implementation from the year 1980–81 onwards. The main objectives of this Plan are (*a*) to help 9 lakhs of scheduled caste families to cross the poverty line during the Sixth Plan period and (*b*) to provide facilities and amenities like drinking water, link roads, electricity, health, education, etc. The size of this Plan for the period 1980–85 is Rs. 535 crores. During the year 1982–83, it is expected to be of the order of about Rs. 114 crores which will help about 1.66 lakhs of Adi Dravidar families. Under the Special Component Plan, the earning capacity of Adi Dravidars will be enhanced through the establishment of labour intensive industrial complexes and production units. They will not only ensure perennial benefits to Adi Dravidars but will also create new assets. Group projects will also be encouraged. Tubewells will be sunk to help the Adi Dravidars to irrigate their lands in low level areas and at the tail end of irrigation sources. During 1982–83, about 2,000 tubewells will be sunk for this purpose.

95. Tamil Nadu Adi Dravidar Housing and Development Corporation is implementing various economic development programmes for the benefit of Adi Dravidars, like providing 25 per cent of the cost of a project as margin money at 4 per cent interest.

96. The Government is also implementing programmes for the welfare of women and children. 1,000 poor women in the age group of 18—30 are being given training in typewriting, book-keeping, etc. It is proposed to extend this scheme for training in shorthand also. During 1982–83, 200 additional child welfare centres, at a cost of Rs. 15 lakhs will be opened.

97. The Tamil Nadu Nutrition Project which is now being implemented in the State will help in the establishment of health sub-centres and for supplying nutrition supplements, etc., to children. Old age pensions are being given to destitute widows beyond a particular age, destitute physically handicapped persons, destitute agricultural labourers and blind persons. Apart from cash pension, they are also being given rice and clothes.

98. The welfare of the handicapped persons receives special attention of the Government. Quite a few of them have been employed in the various milk parlours and automatic vending booths in the Madras City. Two separate sections for training the deaf persons in the trade of fitter and wiremen have been started in the current financial year in the Industrial Training Institute, Guindy. A separate section for deaf girls will be started in one of the Industrial Training Institutes during the year 1982–83.

It is proposed to start construction of buildings for 5 special schools for the handicapped during the year 1982-83 at an ultimate cost of Rs. 25 lakhs. All the schemes started during the international year of the disabled will be continued during the coming financial year also.

Revenue Administration

99. Under the Tamil Nadu Land Reforms Act, 1961, a total of 136,641 acres have been declared as surplus as on 31st December 1981. Out of this, 88,907 acres have been assigned. 4,041 acres have been handed over to the Tamil Nadu Sugarcane Development Corporation Limited and 8,500 acres have been reserved for public purpose. An extent of 16,289 acres is covered by stay. The remaining extent of 18,904 acres is immediately available for distribution. Out of 88,907 acres, an extent of 32,351 acres has been assigned to 29,028 Adi Dravidars.

100. Under the Tamil Nadu Agricultural Land Record of Tenancy Rights Act, 1965, 4,37,117 tenants have been registered as on 30th of September 1981, covering a total extent of 6,26,538 acres.

101. Hundred office-*cum*-residence quarters for Firka Revenue Inspectors will be constructed during the next financial year.

102. The updating registry scheme was introduced in the State with effect from 1st June 1979. Good progress has been registered in the last 2 years. This scheme has

been very beneficial to the ryots as they are able to know fully about their holdings, get financial assistance from banks and it also becomes easier for them to carry out property transactions. As this measure is vital to the interests of the rural population, it is proposed to complete the updating work within a very short span of time, within 2 years, if possible. With this in view, Rs. 5 crores have been earmarked for accelerated implementation of this programme during the next financial year.

Labour

103. In the field of industrial relations, Tamil Nadu continues to maintain an atmosphere of peace and harmony, on account of the pragmatic policy adopted by the Government to secure the welfare of the workmen. With a view to give a better deal to agricultural workers, a proposal to revise the minimum rates of wages is under consideration of the Government. Keeping in mind the welfare of the labour, the Government has introduced and implemented many legislative measures to promote their well-being.

Police, Fire Services and Courts

104. Compared to the situation obtaining in other parts of the country, the law and order situation in the State is well under control. This is mainly due to the efficient performance of the Police force. The State Government has been strengthening the Police force, acquiring the necessary

equipment for helping scientific detection and improving traffic regulations for meeting the law and order situations. During the current financial year, a sum of Rs. 19 lakhs has been sanctioned for synchronisation of signal lights and for installation of flashing beacon lights in Madras City. 31 new Police stations have been sanctioned and all of them have started functioning. A similar number of Police stations will be established during the next financial year also. The replacement of 10 per cent of the old vehicles has been continued during the current year and it is expected that new vehicles to the tune of Rs. 160 lakhs will be purchased during the next financial year. In the current year, sanction has also been issued for the construction of buildings for 150 Police stations at an estimated cost of about Rs. 341 lakhs. About 2,500 additional posts have also been sanctioned for the Police department during the current financial year. A proposal is on hand to reorganise the Madras Metropolitan Police Force at a cost of about Rs. 2·5 crores in order to make Police more effective in dealing with the complex problems of the metropolitan City of Madras and its surroundings. It is also proposed to introduce a metropolitan police set up in Madurai and Coimbatore during 1982–83 for which a provision of Rs. 150 lakhs has been made in the Budget. The Police set up in the districts of Tirunelveli and Ramanathapuram is proposed to be reorganised to suitably readjust the jurisdictional area, with the creation of one more Police district. The construction of houses for Police personnel has already been started by the Police Housing Corporation. The work is likely to pick up momentum during the next financial year. The scheme for recognition of meritorious services

rendered by the policemen, through award of a medal and a monthly allowance to 1,500 Constables and Head Constables has already been announced in the Governor's address.

105. The department of Fire Services is well-equipped to meet the challenges of fire hazards and other calamities. As a welfare measure for the Fire Services personnel, the Government has sanctioned the construction of quarters costing over Rs. 40 lakhs during the current financial year at Udumalpet, Ranipet and Sivakasi.

106. Various measures have been taken by the Government to provide facilities to the Judiciary in the form of equipment, buildings, staff, etc. During the current financial year, the Government has sanctioned supply of Xerox machines to the High Court, District Courts, the Courts of the Judicial Magistrates, etc. Tape recorders will also be supplied to the 464 Judicial officers in the State. A new District and Sessions Court has started functioning from 16th January of this year at Dindigul. Combined court buildings for the judiciary at Dindigul will be constructed at a cost of about Rs. 34 lakhs to accommodate civil and criminal courts. 21 Sub-Courts for trying offences relating to Prohibition have been sanctioned during the current financial year. 4 Sub-Courts of Judicial First-Class Magistrates have also been sanctioned during the current financial year to try offences under the Protection of Civil Rights Act. Sub-Courts at Srivilliputhur and Tiruppur and District Munsif's Courts at Bhavani and Polur have been sanctioned. Government has also sanctioned 30 cars for the use of District and Sessions Judges and Chief Judicial Magistrates.

107. In the next financial year, 9 new district munsif courts, six additional civil courts, four criminal courts and a sub-court will start functioning. To provide additional office accommodation to the lawyers, construction will be undertaken in Madras City, at a cost of Rs. 20 lakhs.

Madras City Development

108. Madras City and its environs have the benefit of certain programmes for improvement of Civic facilities and beautification, with the assistance of World Bank. The first World Bank assisted project estimated to cost Rs. 55 crores is under implementation and is expected to be completed by June 1982 excepting for the sites and services scheme at Kodungaiyur. 26,000 slum families have derived benefit from this programme and on completion, 13,500 serviced plots for economically weaker sections will be provided. The Second World Bank aided project costs about Rs. 74 crores and it is also under implementation. Under this scheme, it is proposed to cover another 50,000 slum dwellers and 15,000 service sites, for economically weaker sections, will also be provided. The special feature of the second project is the grant of title to the slum dwellers in the improved slums for their house-sites and the provision to grant home improvement loans, recoverable in easy monthly instalments, spread over a period of 15 years. It is expected that this will benefit about 30,000 families. These World Bank aided schemes aim at improvement of slums, development of roads, development of housing facilities, improvement of the road transport system, etc.

109. During the next financial year, the Budget provides for a transfer of Rs. 4 crores from the additional surcharge on Sales-tax to Madras Corporation. In addition, an allocation of Rs. 5 crores has also been made for taking up schemes for improvement of storm water drains, relaying of cables, improvement of roads, etc. Separate provision has been made for improving the distribution system of drinking water and sewerage system. The Government also hopes that the mass rapid transit system would be implemented by the Government of India early, which will provide a great relief to the travelling public of the City of Madras, in the years to come.

Annual Plan

110. Right from the inception of the Sixth Five-Year Plan, the execution of the Plan schemes has been very good. During 1980-81, a Plan outlay of Rs. 408·25 crores was approved by the Union Planning Commission. The Plan performance for the year was Rs. 456·46 crores, even after helping them extending special concessions to the Agriculturists for meet their co-operative loan commitments. For the current financial year, the approval of Union Planning Commission was secured for an outlay of Rs. 514 crores. While the budget was presented last year, it was estimated that the plan expenditure for 1981-82 would go upto Rs. 559·46 crores. As a result of taking up new programmes and fulfilling of certain other commitments, the State's Plan outlay is likely to go upto Rs. 625·53 crores. For the next financial year, the Planning Commission has given its approval for Rs. 711 crores. But taking

into account the on-going Plan schemes and fresh projects which are likely to be taken up during next financial year, an outlay of Rs. 772·61 crores has been indicated in the Budget. As in the previous years, the Power sector accounts for the highest allocation. As against an allocation of about 26 per cent of the current year's revised Plan outlay for the State, it is expected to go upto 29 per cent of the State's Plan outlay for the next financial year. The next year's plan outlay will be accounted for by the various sectors as follows:— Agriculture and allied sectors will have Rs. 171·54 crores; Irrigation will account for Rs. 40·39 crores; the figure for power sector is Rs. 220 crores; Industry and Minerals are allotted Rs. 42·70 crores while for Transport and Communication it will be Rs. 63·23 crores; as for Education, it is Rs. 29·64 crores and for Technical Education it will be Rs. 5·99 crores; allocation for Medical and Public Health is Rs. 27·56 crores; for Sewarage and Water-Supply it is Rs. 62·15 crores; for Housing and Urban Development it is Rs. 67·97 crores; and for welfare of Adi Dravidars and Scheduled Tribes and Backward Classes it is Rs. 21·41 crores; for the remaining sectors the allocation is Rs. 20·66 crores.

Budget Performance

111. While drawing up the Budget for the current financial year, care was taken to allocate adequate funds for Plan and Non-Plan Schemes. But, in the course of the year there have been certain extra commitments which the Government has to fulfil resulting in an additional expenditure of about Rs. 300 crores over the figure

visualised in the Budget. This has been essentially due to the unforeseen expenditure of Rs. 53·49 crores on drought relief works, an additional requirement of Rs. 44 crores for implementing the Self-Sufficiency Scheme in 150 blocks, Rs. 85 crores for giving financial assistance to the Electricity Board, Transport Corporations and Civil Supplies Corporation, an extra outgo of Rs. 8 crores to the Education sector, Rs. 6 crores for Health Programmes, over Rs. 7 crores for Roads, etc.

Financial Position

112. While the Budget for 1981–82 was presented last year, a closing deficit of Rs. 122·96 crores was indicated. The relaxation of the prohibition policy and improvement in tax revenues helped to narrow down the deficit considerably even after increasing the Plan outlay from the original figure of Rs. 559·46 crores to Rs. 625·53 crores and after extending certain concessions to Agriculturists in the repayment of loans. In the revised estimate now presented for 1981–82, revenue receipts have been estimated at Rs. 1,423·46 crores and the revenue expenditure at Rs. 1,297·83 crores, leaving a surplus of Rs. 125·63 crores. The capital expenditure in the Revised Estimate has been arrived at Rs. 156·35 crores. The surplus in the public debt is expected to be Rs. 126·24 crores, while the net outgo under loans and advances stands revised at Rs. 172·66 crores. The worsening under loans and advances is essentially due to the addtional loans and Ways and Means advances given to public sector institutions like Electricity Board, Civil Supplies Corporation and Transport Corporations. The net effect of the transactions now estimated

is a deficit of Rs. 77·14 crores in the Consolidated Fund. This deficit has been reduced to Rs. 8·16 crores after taking into account the surplus of Rs. 68·98 crores available under the Public Account. Together with the opening deficit of Rs. 9·61 crores and a deficit of Rs. 8·16 crores during the current financial year, the year 1981–82 is expected to close with a deficit of Rs. 17·77 crores.

113. The budget estimate for the year 1982–83 indicates receipt of Rs. 1,569·49 crores against an expenditure of Rs. 1,370·04 crores in the revenue account, leaving a surplus of Rs. 199·45 crores. The capital expenditure for the year 1982–83 has been estimated at Rs. 165·25 crores. Under public debt there is likely to be a net revenue of Rs. 118·91 crores. The net transactions under loans and advances would result in an outgo of Rs. 323·99 crores. Hence in the Consolidated Fund, the net deficit, taking into account these transactions, will be Rs. 170·88 crores. This negative balance, inspite of a substantial revenue surplus, is mainly on account of a provision for a transfer of Rs. 271 crores to the State Electricity Board. The surplus in the Public Account is likely to be Rs. 53·21 crores which would imply that the transactions for the year would result in a deficit of Rs. 117·67 crores. With the financial year 1982–83 opening with a deficit of Rs. 17·77 crores and the deficit for the year being Rs. 117·67 crores, the closing balance for 1982–83 will be a deficit of Rs. 135·44 crores.

114. The Hon'ble Members will note that the revised estimate for revenue surplus for the current year is estimated at Rs. 127·51 crores as against a budgeted deficit

of Rs. 9·57 crores. The revenue surplus for the next financial year is likely to be Rs. 199·45 crores. Inspite of increased revenue surplus, the current financial year is likely to end with an overall budget deficit of Rs. 17·77 crores and it is expected to go upto Rs. 135·44 crores, at the end of the next financial year. The following are the main reasons for the deficit in the current financial year:—

(*a*) The approved Plan for the Electricity Board during the current year is of the order of Rs. 167 crores. The revenue presently earned by the Electricity Board does not even cover the operation, maintenance costs and other essential liabilities. Though the State Government has not been able to fill this gap completely, it has been giving financial assistance in a big scale.

(*b*) In addition to this, the State Government has also been giving ways and means advance to the Civil Supplies Corporation which loses about Rs. 500 on every tonne of rice sold through the public distribution system. During the current financial year, the loss on the sale of rice alone is expected to be about Rs. 35 crores. The State Government had to help the Tamil Nadu Civil Supplies Corporation with a ways and means advance of Rs. 25 crores during this financial year to meet their commitments. Till now, Rs. 65 crores of advances from the State Government is outstanding. Tamil Nadu Civil Supplies Corporation has not even paid the interest of Rs. 11·44 crores payable upto 31st March 1982. In fact, no interest has been paid to Government from 1st January, 1980.

(c) In spite of a hike in the passenger fares, the State Transport Corporations have not been able to meet their current liabilities and other day-to-day expenses. They have also come to Government for assistance.

(d) As implementation of self-sufficiency scheme has proved very beneficial, it has been extended to 150 blocks as against 69 blocks covered during the last financial year.

(e) The extra expenditure incurred over and above the allocation made by the Government of India for drought relief works, was met from the State funds.

115. In view of all these factors, the current year is likely to end with a deficit of Rs. 17·77 crores. The most important factor responsible for the huge deficit in the next year's budget, is the total dependence of the State Electricity Board on the State Government for increased funds for implementing their Plan programme and for meeting their other commitments. As mentioned earlier, the Plan outlay under Power sector is Rs. 220 crores for 1982–83. At the existing level of Electricity tariff, the Electricity Board is expected to end up with a deficit of Rs. 51 crores, without taking into account the Plan outlay of Rs. 220 crores. Hence, the financial requirements of the Electricity Board for 1982–83 is a staggering figure of Rs. 271 crores for which the Board has to depend entirely on the State Government. Hon'ble Members will realise that assistance from the State Government to the Electricity Board on this scale can only be done at the cost of new progressive schemes and projects in the State. Tamil Nadu Electricity Board has to battle with a tariff structure which is one of the lowest in the country. As repeatedly

advised by the Union Planning Commission, there is no alternative except to go in for an upward revision of electricity rates not only to meet the Board's own financial requirements but also to enable the State Government to fruitfully use its own resources for carrying out many important development projects which are held up due to financial constraints and which are very essential for the welfare of the State. I am sure, all the Members here would agree with me that in these circumstances, it is inescapable that the Tamil Nadu Electricity Board has to have a second look at the existing tariff structure.

A free meal once a day to the starving child

"Among all blessings we know of, none lies
Higher than begetting children wise"

so says sage Thiruvalluvar. Children, who are the hope of our future, are a great boon not only for the home but also for the Country. The Government is fully aware that it is its immediate and inescapable duty to make an earnest endeavour to the extent possible to redress the sad plight of mothers, living below the poverty line and bemoaning their lot in not being able to provide even a single wholesome meal to their children. Impelled by this awareness, a scheme has been formulated to provide at least one nutritious meal a day to all the poor children in the age group of 2 to 10. This scheme will be implemented from 1st July, 1982 and will provide noon meal, free of cost, to the pitiably poor children in Tamil Nadu, who have no means even for one meal a day. I would make a fervant and earnest appeal to the philanthropists and

social organisations with rich experience in this field to extend their whole-hearted co-operation to the Government in the noble task of feeding the poor children all over the State.

117. To finance the implementation of this feeding programme, which is expected to cost about Rs. 100 crores, the State Government intends to introduce certain changes in the tax structure. They are as follows :—

(*a*) The handloom silk fabrics are used mainly by the affluent sections of the society. Government intends to impose a single point sales tax of 5 per cent on handloom silk fabrics.

(*b*) The present rate of 9 per cent sales tax on electrical goods falling under item 41 and the electrical instruments, apparatus and appliances falling under item 41 (A) of Tamil Nadu General Sales Tax Act will be increased to 10 per cent.

(*c*) The rate of sales tax on imported foreign liquor and Indian made foreign liquor will be increased from 25 per cent to 50 per cent.

(*d*) Sales tax on parts and accessories of motor vehicles will be raised from 13 per cent to 15 per cent.

(*e*) The existing multi-point sales tax of 4 per cent will be increased to 5 per cent.

(*f*) Sales tax on tyres and tubes used for motor vehicles will be raised from 10 per cent to 12 per cent.

(*g*) Sales tax on biscuits, chocolates, toffees, confectionary, etc., sold under a brand name registered

under Trade and Merchandise Marks Act, will be taxed at 10 per cent as against the present rate of 8 per cent.

(*h*) Sales tax on machinery operated by power will be increased from 8 to 10 per cent.

(*i*) The present rate of sales tax of 10 per cent on cement will be increased to 12 per cent.

(*j*) The cotton yarn and blended cotton yarn sold for use in powerlooms in the form of cones will be subject to a tax of 4 per cent as against the present rate of 3 per cent.

118. In order to help the poorer sections of the society who are the main users of kerosene, it has been decided to reduce the sales tax from the present level of 8 per cent to 4 per cent.

The above changes in sales tax will take effect from 1st March 1982.

119. The existing structure of urban land tax is based on the market value of lands as on 1st July 1971. It is proposed to update the market value of the lands as on 1st July 1981. The tax will be levied on the basis of this new valuation. The provisions of Urban Land Tax Act will be extended to 16 additional towns. Suitable legislation for the above purpose will be brought before the House.

120. With the rising price and inflationary trends in the country living has become very difficult for those drawing the lowest pension of Rs. 100 per month. In order to

help this class of retired Government employees it has been decided to raise the minimum pension including Family Pension to Rs. 125 per month. This welfare measure will benefit about 43,500 retired employees of the Government.

121. The old age pensioners in the State are undoubtedly one of the poorest sections of the society. This is another section of the population that needs some assistance from the Government. The Government has decided to increase the old age pension from the present level of Rs. 25 to Rs. 35 per month. These pensioners will continue to receive the foodgrains and clothes as before in addition to the increase in the monthly pension. This increase in pension would benefit about 2 lakhs of people who form the poorest sections of the society, namely, destitute persons of 65 years and above, destitute widows of 40 years and above, physically handicapped destitute persons of 45 years and above, destitute agricultural labourers of 60 years and above and destitute blind persons irrespective of age.

122. Due to the increase in fuel costs and higher transport charges, Government feels that the travelling allowance, daily allowance and fixed travelling allowance of Government employees need to be revised upwards. Separate orders will be issued by Government in this regard.

123. The concessions mentioned above, viz., increase in minimum pension, increase in old age pension and revision of travelling allowance, daily allowance and

fixed travelling allowance rates will take effect from 1st April 1982.

124. As a result of the changes suggested in the tax structure, Government expects to get a net revenue of about Rs. 38 crores in the next financial year. The concessions announced above to Government employees and pensioners will amount to Rs. 7 crores. Hence, in the next financial year there will be a net increase of resources by about Rs. 31 crores. The implementation of the programme for feeding the children between the ages of 2 and 10 is likely to cost the exchequer about Rs. 100 crores. As a result, the budgetary gap for the next financial year will widen further and as against the earlier figure of Rs. 135·44 crores, it is now likely to go up to Rs. 204·44 crores.

125. The hardships of the people living below the poverty line and languishing without adequate facilities have to be removed. It is the duty of the Government to improve the living conditions of the socially and economically backward and downtrodden sections and provide them security. The people, who contribute in various ways to the tax and non-tax revenues of the Government, in return largely expect a distinct improvement in their living conditions. Although, this Government is deeply committed to and actively engaged in taking steps to fulfil this expectation, it is only the inadequacy of resources that stands in the way of the Government not performing to the total satisfaction of the people.

126. The task and duty of implementing the principles and plans, formulated by the Government lie with the

persons working in Government and local body institutions. This Government functions only expecting and relying on their support and co-operation. I wish to acknowledge with thanks the willing and voluntary co-operation offered by a majority of them, which has enabled the Government to discharge its duties effectively and successfully. As mentioned earlier, although the Government has been plagued in various ways by financial difficulties, it has been taking every step to look after the welfare of the Government and local body employees and has been taking appropriate decisions consistent with the reasonableness of their demands and the compulsions of the economic situation. I request every Government and local body employee to appreciate the conditions prevailing in the country and the financial position of the Government and to extend his full co-operation, in a spirit of service. Government employees and certain other sections of labour have put forward several demands. I would like to appeal to their sentiments of paternal affection and to bring home to them our obligation to provide at least one meal for the poor, starving children. If they would be patient for a while, when our financial situation improves, we can discuss their demands and arrive at a happy decision. I would appeal to them to accept this with trust and confidence.

127. In the words of the Great Poet Kalidasa in his great epic Raghuvamsa, just as the Sun absorbs water from lakes, rivers and sea with out causing any detriment to the water-spread, only to pour down useful rain over a wide area, so also, a Government collects taxes from a few sources capable of bearing the

burden and expends the money over a wider section of people for their benefit. Following the same principle, this Government gathers its resources from sections which can withstand the strain and uses it to implement several plan schemes to benefit large sections of the population.

128. This budget is standing proof of the fact that the Government has been following the principles of Anna, who gave the call to " tap the rich and pat the poor ".

129. I have explained through this Budget the progress of the State, the economic context, the developments expected in the future and our financial situation. I request all Hon'ble Members to accept theBudget proposals, offer their constructive suggestions and recommendations for the welfare of the State and its people and render valuable help to the Government in its efforts.

130. I offer my whole-hearted thanks to the Finance Secretary, Thiru K. J. M. Shetty and the officers and staff who worked with him for their valuable assistance to me in preparing these budget proposals.

131. Once again, I request that this House may approve the Annual Financial Statement for the year 1982-83.

Madras,
26th February 1982.

V. R. NEDUNCHEZHIYAN,
Minister for Finance.

Masi 14, Thunmathi,
Tiruvalluvar Aandu-2013.